

FIG. 1
PRIOR ART

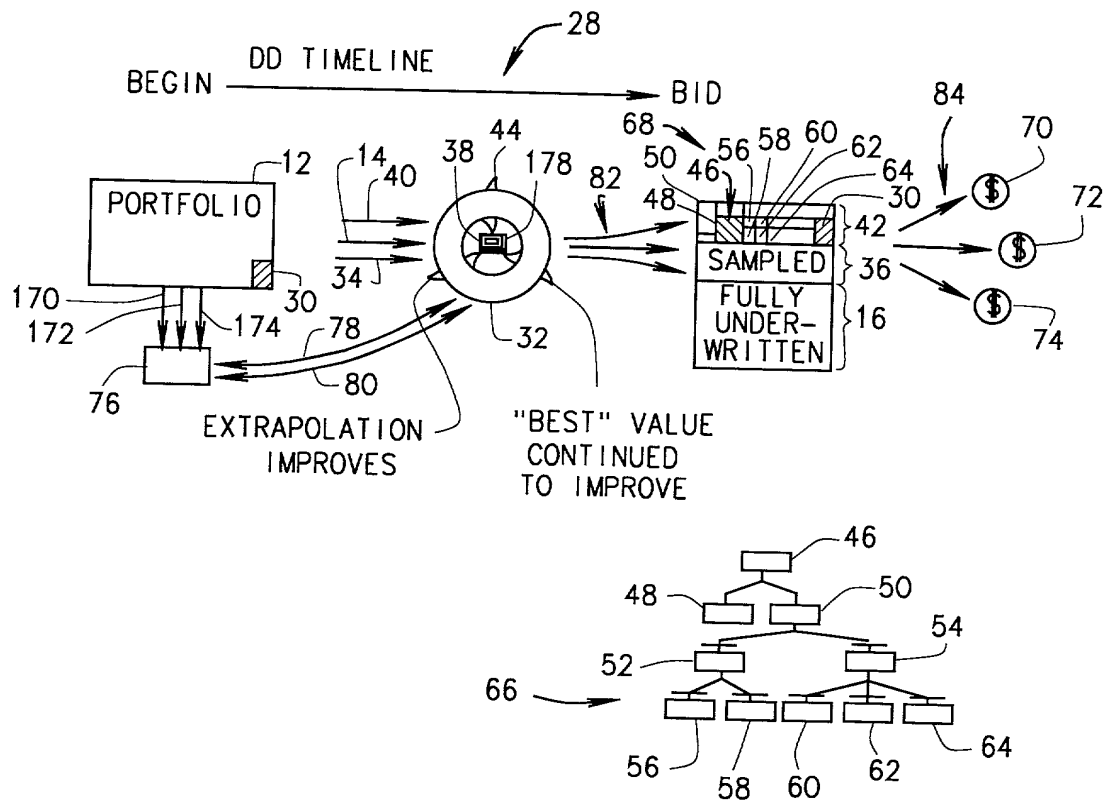


FIG. 2

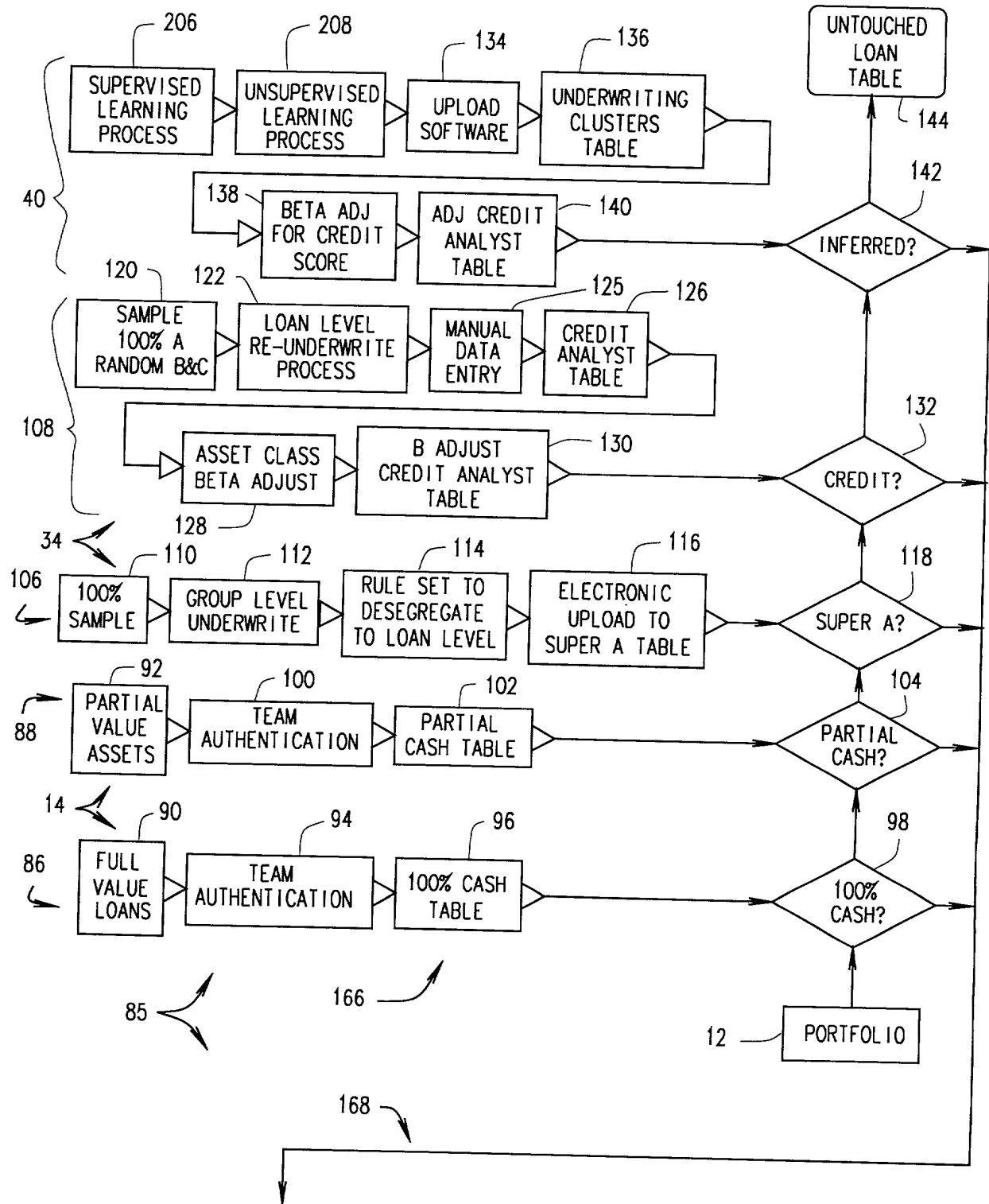


FIG. 3



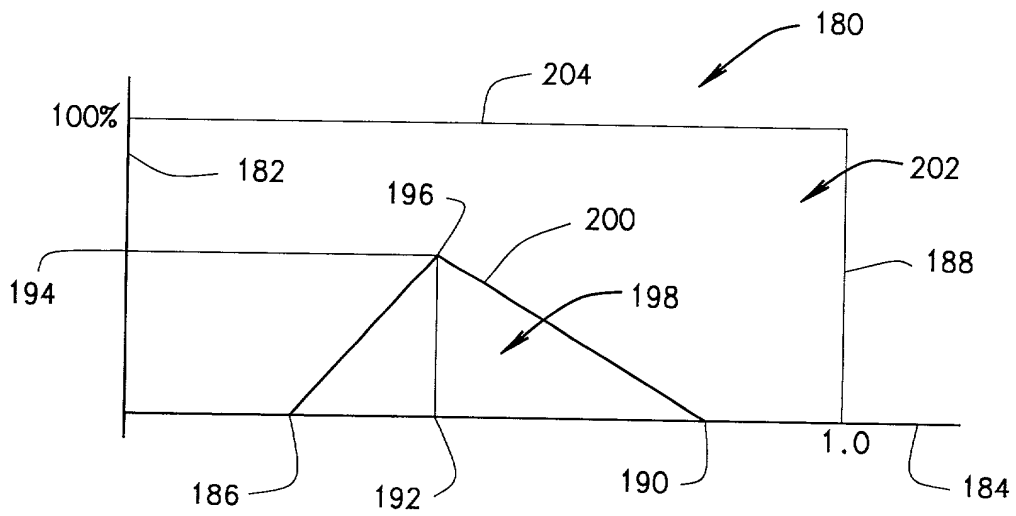


FIG. 5

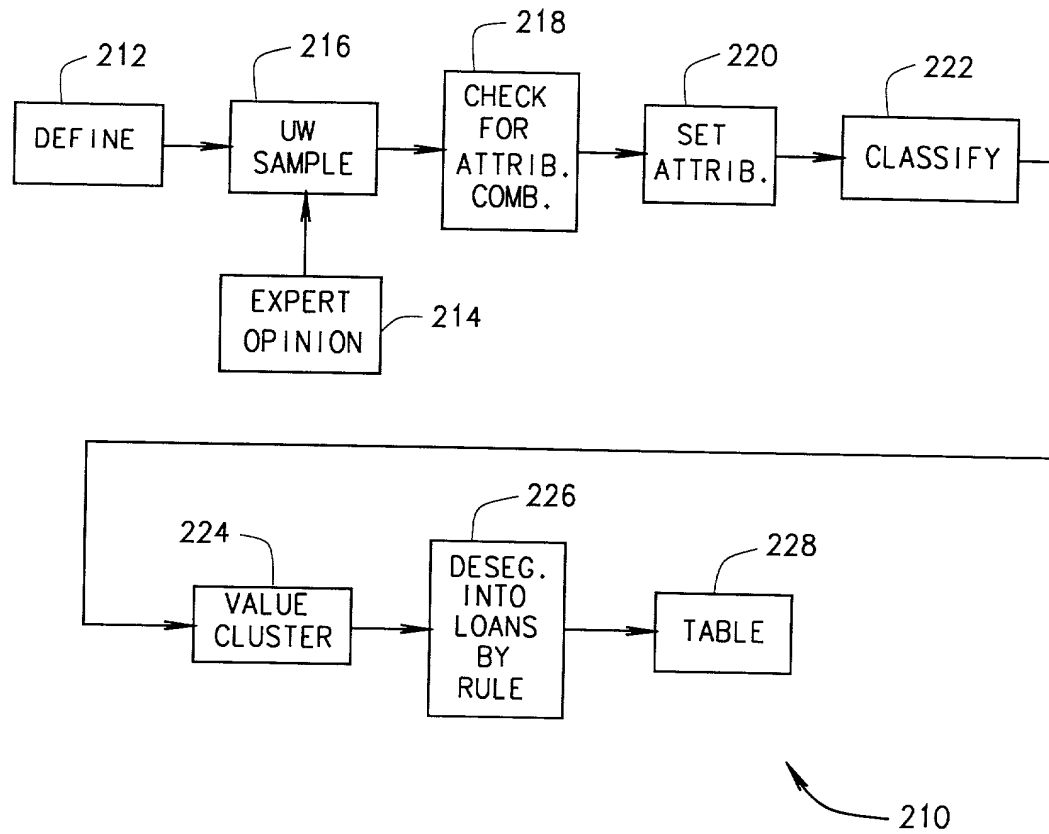


FIG. 6

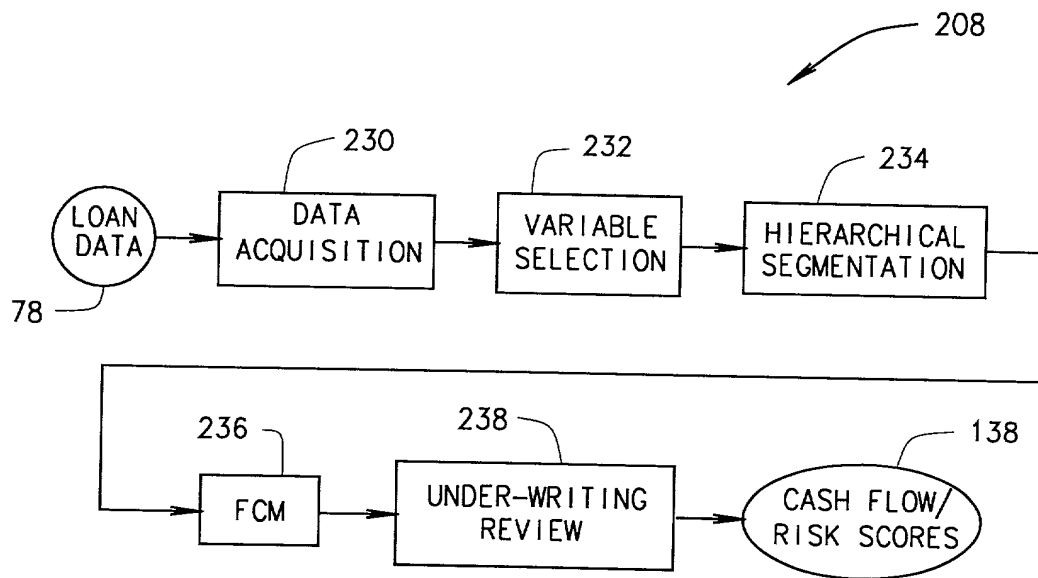


FIG. 7

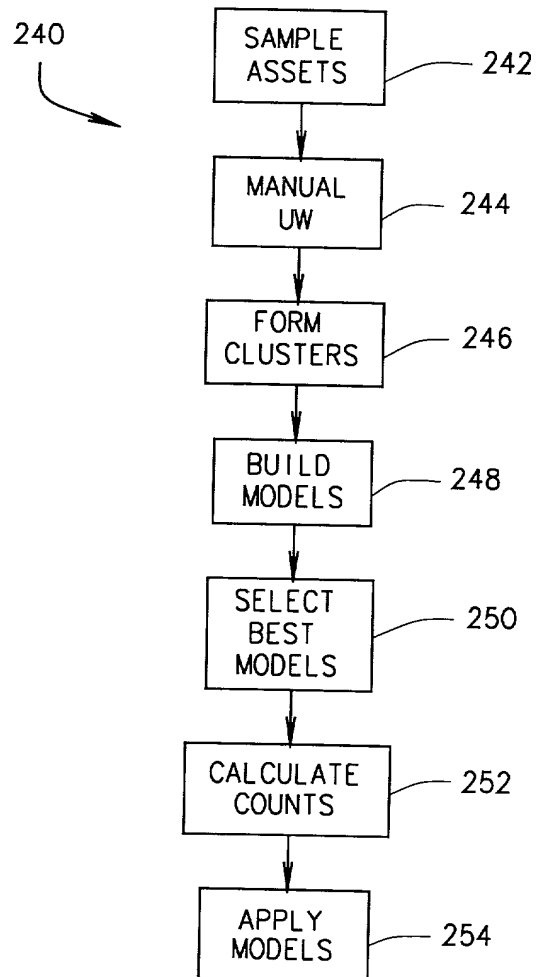


FIG. 8

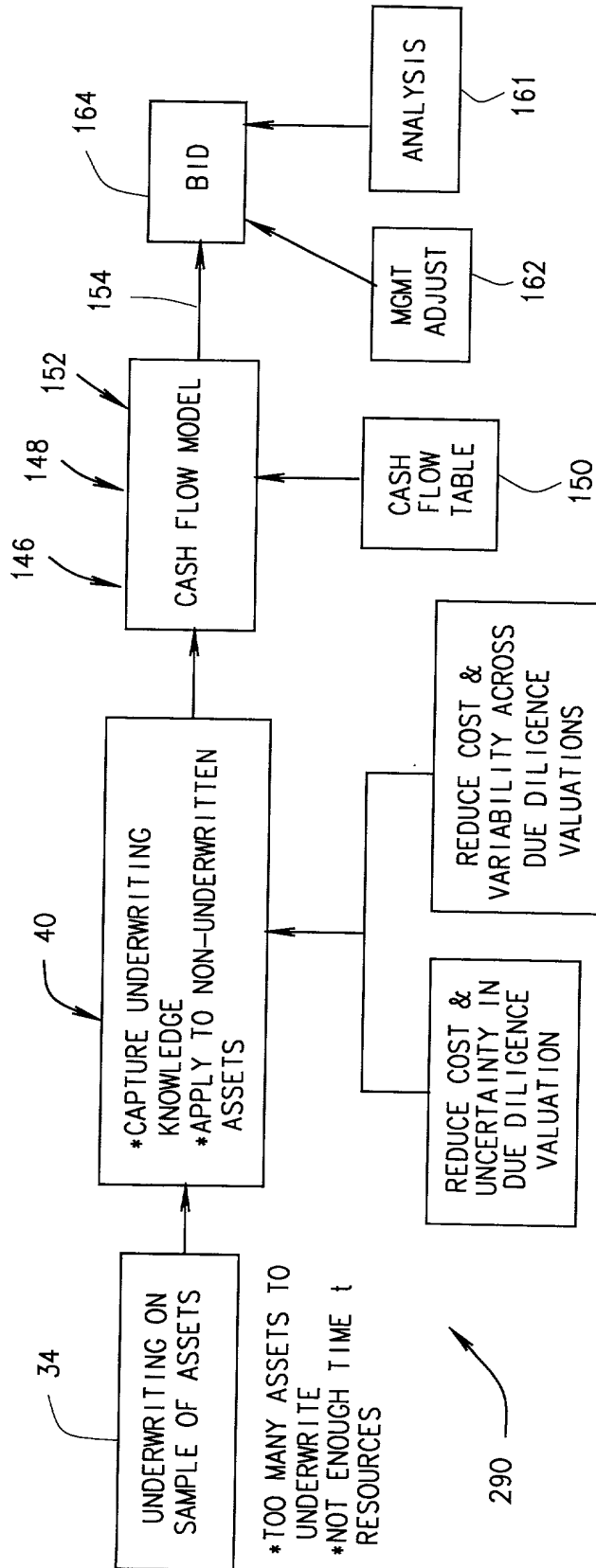


FIG. 9



OTGH

6 MODELS BUILT:

- *MODELS DIFFER BY WHICH VARIABLES USED
- *UW ASSETS GET THE MINIMUM ERROR PREDICTION (ACTUAL-PREDICTED)

VARIABLES USED

LAND AREA
BLDG AREA
OLD APPRAISAL
GEN 1 PREDICTED CURRENT APPRAISAL
GEN 1 PREDICTED REALIZED PRICE
PROPERTY TYPE
LOCATION
-BY-
COM/RES
GROUP (CLUSTER)

250

MODEL "WEIGHTS":

- *EACH CELL IS COUNT OF TIMES THE MODEL PRODUCED BEST PREDICTION FOR UW ASSETS
- *DETERMINES WEIGHTS FOR AVERAGING PREDICTIONS FOR NON-UW ASSETS

MODEL ASSET CLASS

COURT AUCTION COMMERCIAL

TOTAL

COURT AUCTION RESIDENTIAL

TOTAL

MARKET VALUE COMMERCIAL

MARKET VALUE RESIDENTIAL

TOTAL

FIG. 11

248	BUILD MODELS						
	MODEL 1 MODEL 2 MODEL 3 MODEL 4 MODEL 5 MODEL 6						
	X		X	X	X		
	X		X	X	X		
							X
	X	X	X	X	X		
	X	X	X	X	X		
	X	X	X				
	X	X					
	X	X	X	X	X	X	X
APPRAISAL D PRICE							
GROUP MODEL 1 MODEL 2 MODEL 3 MODEL 4 MODEL 5 MODEL 6 SUM							
1	13	13	13	8	32	32	87
2	29	25	29	24	19	19	148
ADJUSTMENTS FOR NON-UW ASSETS							
1	5	5	10	4	12	12	51
2	4	7	9	13	23	23	59
3	2	15	11	13	8	8	53
1	16	13	11	15	21	21	163
2	29	22	29	24	19	19	150
1	5	8	4	11	12	14	51
2	8	9	10	15	19	19	59
3	6	16	5	20	2	2	54
164							

VARIABLE	CATEGORY/VALUE RANGE	ENCODING SCHEME
LOAN SECURED	(YES, NO)	YES = 1, ELSE = 0
LOAN TYPE	(REVOLVING, NON-REVOLVING)	REVOLVING = 1 ELSE 0
LAST PAYMENT	(0, 250 MM)	0 IF LAST PAYMENT = 0 ELSE 1
NOTICE OF DEFAULT SENT		PRIOR TO JUN 97 EQUALS 1 ELSE 0
ORIGINAL MATURITY DATE		PRIOR TO JUN 97 EQUALS 1 ELSE 0
SYNDICATED LOAN	(YES, NO)	YES = 1, ELSE = 0
LOAN GUARANTEED	(YES, NO, NAV)	YES = 1, ELSE = 0
COLLECTION SCORE	(0, 1)	
LIEN POSITION	(-1, 0, 1)	1 IF LIEN POSITION = 1 ELSE 0
CURRENT UPAD BALANCE/ORIGINAL BALANCE	(0, 2.9)	NORMALIZED TO (0, 1)
LAST PAYMENT TO INTEREST/LAST PAYMENT	(0, 1)	

80

138

FIG. 12

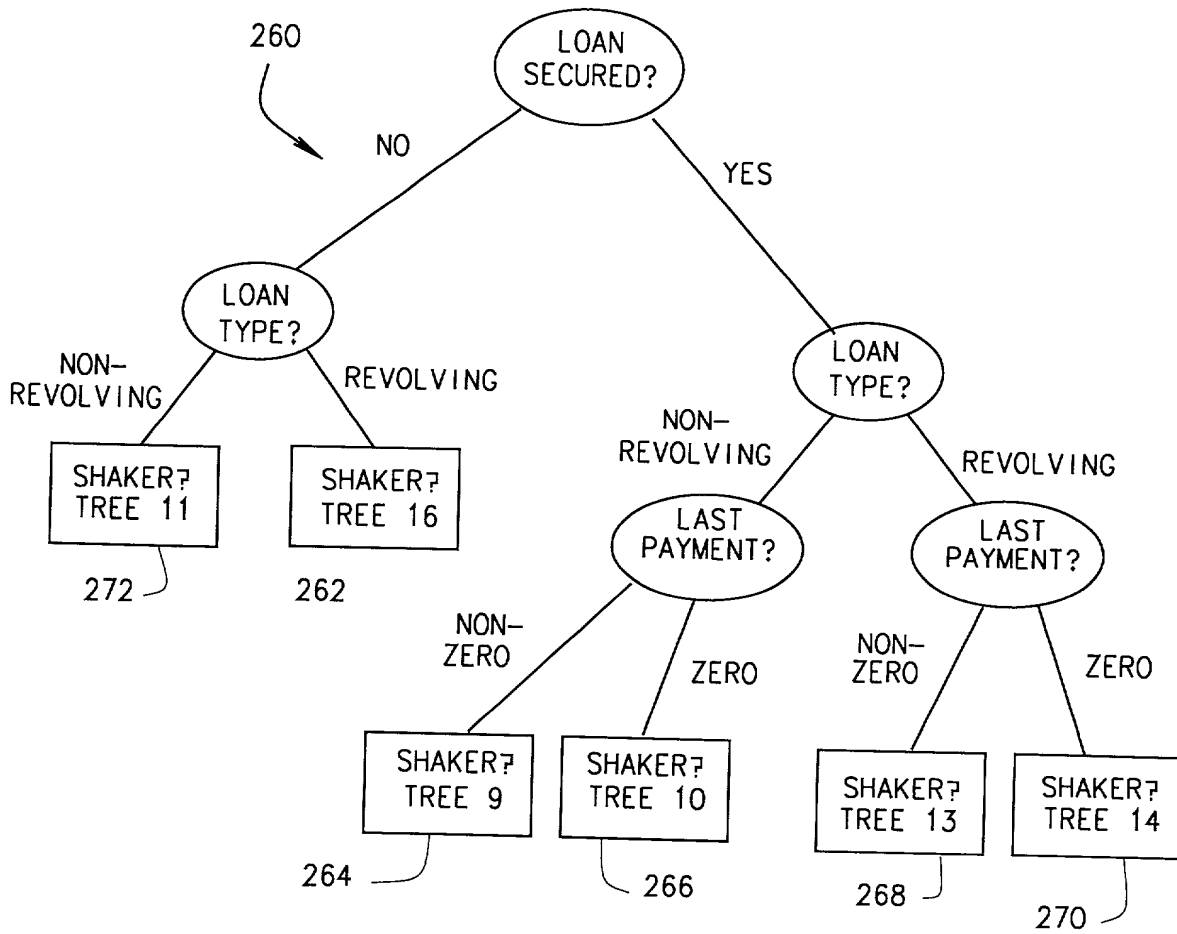


FIG. 13

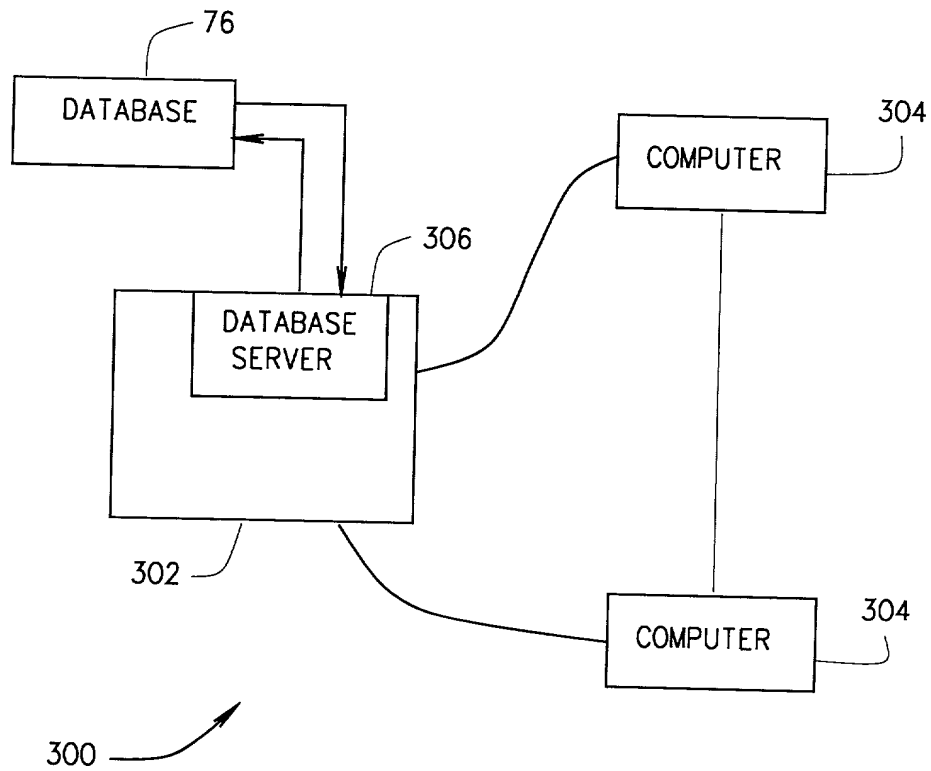


FIG. 14